

This page is a reference page used to track documents internally for the Division of Oil, Gas and Mining

Mine Permit Number 5/047/0088 Mine Name TME AR Lecy Mine  
Operator \_\_\_\_\_ Date Sent July 28 2014  
TO \_\_\_\_\_ FROM \_\_\_\_\_

☐ CONFIDENTIAL ☒ BOND CLOSURE ☐ LARGE MAPS ☐ EXPANDABLE  
☐ MULTIPUL DOCUMENT TRACKING SHEET ☐ NEW APPROVED NOI  
☐ AMENDMENT ☐ OTHER \_\_\_\_\_

Description YEAR-Record Number

☐ NOI ☐ Incoming ☒ Outgoing ☐ Internal ☐ Superceded  
Notice of File Closure 2014-07282014

☐ NOI ☐ Incoming ☐ Outgoing ☒ Internal ☐ Superceded  
Bond File 2014-07282014

**CONFIDENTIAL**

☐ NOI ☐ Incoming ☐ Outgoing ☒ Internal ☐ Superceded  
Bond File 2014-07282014

☐ NOI ☐ Incoming ☐ Outgoing ☐ Internal ☐ Superceded

☐ TEXT/ 81/2 X 11 MAP PAGES ☐ 11 X 17 MAPS ☐ LARGE MAP

COMMENTS: \_\_\_\_\_

CC: \_\_\_\_\_



STATE OF UTAH  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

MODIFICATION OF ATTACHMENT A  
TO THE  
RECLAMATION CONTRACT

**RECEIVED**

FEB 22 2013

DIV. OF OIL, GAS & MINING

Name of Operator: TME Asphalt Ridge, LLCPermit Number: S/047/0088Mine Name: TME AR Lecy MinePhone Number: 651-452-7125

**Per the executed reclamation contract, the surety agreement for reclamation obligation is included as Attachment A to the reclamation contract as follows:**

*Check the boxes that apply to this form:*

Surety: ☐ Decrease  
☒ Increase  
☐ Replacement

Reason: ☐ Amendment to NOI  
☐ Cancellation/ Termination of surety  
☒ Escalation  
☐ Partial Release of surety  
☐ Other

Explain: Operator submitted an amendment to the LOC increasing the amount for a total of \$27,100.00 for a 3yr escalation (2015)

Surety Dollar Amount Associated With This Action: \$2,500.00Surety Aggregate Amount: \$27,100.00

**Included in this modification (surety must be attached)**

Instrument(s):

<input type="checkbox"/> Corporate Surety	<input type="checkbox"/> Rider
<input checked="" type="checkbox"/> LOC Letter of Credit	<input checked="" type="checkbox"/> Amendment
<input type="checkbox"/> CD Certificate of deposit	<input type="checkbox"/> Addendum
<input type="checkbox"/> Cash	<input type="checkbox"/> Other

Explain: LOC

**Other surety not affected by this modification will remain part of Attachment A and labeled as such.**

**This Modification will be effective as of the last date signed below**

Jim Runquist  
Authorized Officer Signature

Jim Runquist  
Printed

Chief Manager  
Title

2/14/2013  
Date

John R. Baza  
Division Director  
Utah Division of Oil, Gas and Mining

2/25/2013  
Date



FACT SHEET

RECEIVED

FEB 22 2013

DIV. OF OIL, GAS & MINING

Commodity: oil sands / Bitumen

Mine Name: TME AR Leay mine

Permit Number: S/047/0088

County: Wintah Co.

Disturbed Acres: 5 Acres

Operator Name: TME Asphalt Ridge, LLC

Operator address: 4526 Ridgeway Dr. EAGAN MN 55123

Operator telephone: 651-301-2020

Operator fax: \_\_\_\_\_

Operator email: jlrunquist@aol.com

Contact: Jim Runquist

Surety Type: LOC

Held by (Bank/BLM): Associates Bank

Surety Amount: \$27,100

Surety Account Number: #

Escalation Year: 2015

Tax ID or Social Security (for cash only): \_\_\_\_\_

Surface owner: Asphalt Ridge Inc

Mineral owner: Asphalt Ridge Inc

UTU number: \_\_\_\_\_

Acres: 5 Acres



STATE OF UTAH  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MININGMODIFICATION OF ATTACHMENT A  
TO THE  
RECLAMATION CONTRACT

RECEIVED

MAY 18 2010

DIV. OF OIL, GAS &amp; MINING

Name of Operator: TME Asphalt Ridge, LLCPermit Number: S/047/0088Mine Name: TME AR Lecy MinePhone Number: 651-452-7125

Per the executed reclamation contract, the surety agreement for reclamation obligation is included as Attachment A to the reclamation contract as follows:

Check the boxes that apply to this form:

Surety: ☐ Decrease  
☒ Increase  
☐ Replacement

Reason: ☒ Amendment to NOI  
☐ Cancellation/ Termination of surety  
☐ Escalation  
☐ Partial Release of surety  
☐ Other

Explain: Operator provided additional surety. LOC has been amended, increasing the amount from \$20,700.00 to \$24,600.00

Surety Dollar Amount Associated With This Action: \$3,900.00

Surety Aggregate Amount: \$24,600.00

Included in this modification (surety must be attached)

Instrument(s):

<input type="checkbox"/> Corporate Surety	<input type="checkbox"/> Rider
<input checked="" type="checkbox"/> LOC Letter of Credit	<input checked="" type="checkbox"/> Amendment
<input type="checkbox"/> CD Certificate of deposit	<input type="checkbox"/> Addendum
<input type="checkbox"/> Cash	<input type="checkbox"/> Other

Explain: LOC

Other surety not affected by this modification will remain part of Attachment A and labeled as such.

This Modification will be effective as of the last date signed below

Jim Runquist  
Authorized Officer Signature Printed

President/GM  
Title

5/10/10  
Date

John R. Baza  
Division Director John R. Baza  
Utah Division of Oil, Gas and Mining

5/24/2010  
Date



**STATE OF UTAH**  
**DEPARTMENT OF NATURAL RESOURCES**  
**DIVISION of OIL, GAS and MINING**  
1594 West North Temple, Suite 1210  
Box 145801  
Salt Lake City, Utah 84114-5801  
(801) 538-5291  
Fax: (801) 359-3940

---ooOoo---

**SMALL MINE RECLAMATION CONTRACT**

This Reclamation Contract (hereinafter referred to as "Contract") is entered into between **TME ASPHALT RIDGE LLC** the "Operator" and the Utah State Division of Oil, Gas and Mining ("Division").

WHEREAS, Operator desires to conduct mining operations under Notice of Intention (NOI) File No. **S/047/088** which the Operator has filed with the Division and has been determined by the Division to be complete (Complete NOI) as required by the Utah Mined Land Reclamation Act, Sections 40-8-1 et seq., Utah Code Annotated, (2005, as amended) (hereinafter referred to as "Act") and the regulations adopted pursuant to the Act; and

WHEREAS, Operator is obligated to reclaim the lands affected by the mining operations in accordance with the Act and the regulations, and is obligated to provide a surety in a form and amount approved by the Division or the Board of Oil, Gas and Mining (Board) to assure reclamation of the lands affected by the mining operations.

NOW, THEREFORE, the Division and the Operator agree as follows:

1. Operator agrees to promptly reclaim in accordance with the requirements of the Act and applicable regulations, as they may be amended, all of the lands affected by the mining operations conducted or to be conducted pursuant to a Complete Notice of Intention.
2. The Lands Affected by the mining operations and subject to the requirements of the Act and this Contract include:

- A. All surface and subsurface areas affected or to be affected by the mining operations including but not limited to private on-site ways, roads, railroads; land excavations; drill sites and

☒ **APPROVED**



ponds; stockpiles; leaching dumps; placer areas; tailings ponds or dumps; work, parking, storage, and waste discharge areas, structures, and facilities; and

- B. All mining disturbances regardless of discrepancies in the map and legal description, unless explicitly and clearly identified as EXCLUDED on maps, and legal descriptions included in the Complete NOI; provided lands may be excluded only if: (1) they were disturbed by mining operations that ceased prior to July 1, 1977; (2) the lands would be included but have been reclaimed in accordance with a complete notice or reclamation plan; or (3) the lands were disturbed by a prior operation for which there is no surety, no legally responsible entity or person, and which lands are not necessarily or incidentally intended to be affected by the mining operations as described in the Complete NOI.
- 3. The Operator shall be responsible for reclamation of all such Lands Affected regardless of errors or discrepancies in the maps or legal descriptions provided with the NOI which are intended to assist in determining the location of the mining operations, to describe the areas of disturbance, and to assist estimating the amount of surety required.
  - 4. The Operator prior to commencement of any mining operations and as a precondition to the rights under the Notice of Intention shall provide a surety in a form permitted by the Act and in an amount sufficient to assure that reclamation of the Lands Affected will be completed as required by the Act. The Surety shall remain in full force and effect according to its terms unless modified by the Division in writing. A copy of the agreement providing for the Surety for the reclamation obligations herein is included as **ATTACHMENT A** to this Contract.
  - 5. If the Surety expressly provides for cancellation or termination for non-renewal:
    - A. The Operator shall within 60 days following the Division's receipt of notice that the Surety will be terminated or cancelled, provide a replacement Surety sufficient in a form and amount, as required by the Act, to replace the cancelled surety; or
    - B. If the Operator fails to provide an acceptable replacement Surety within 60 days of notice of cancellation or termination, the Division may order the Operator to cease further mining activities, and without further notice proceed to draw upon letters of credit, to withdraw any amounts in certificates of deposit or cash and/or any other forms of surety, and to otherwise take such action as may be necessary to secure the rights of the Division to perfect its claim on the existing surety for the purpose of fully satisfying all of the reclamation



obligations incurred by the Operator prior to the date of termination, and the Division may thereafter require the Operator to begin immediate reclamation of the Lands Affected by the mining operations, and may, if necessary, proceed to take such further actions as may be required for the Division to forfeit the surety for the purpose of reclaiming the Lands Affected.

6. The Operator's liability under this Contract shall continue in full force and effect until the Division finds that the Operator has reclaimed the Lands Affected by mining operations in accordance with the Act and regulations, as amended. If the mining operations are modified or for any other reason vary from those described in the Complete Notice of Intention, the Operator shall immediately advise the Division, and the Notice of Intention shall be revised and the Surety amount shall be adjusted as necessary.
7. If reclamation of discrete sections of the Lands Affected by the mining operations is completed to the satisfaction of the Division, and the Division finds that such sections are severable from the remainder of the mining area, Operator may request the Division to find that Operator has reclaimed such area. If the Division makes such finding, Operator may make request to the Division for a reduction in the aggregate face amount of the Surety, and the Division may reduce the surety to an amount necessary to complete reclamation of the remaining mining operations as anticipated by the Complete Notice of Intention in accordance with the requirements of the Act and regulations, as amended.
8. Operator may, at any time, submit a request to the Division to substitute surety. The Division may approve such substitution if the substitute surety meets the requirements of the Act and the applicable rules.
9. Operator agrees to pay all legally determined public liability and property damage claims resulting from mining operations, to pay all permit fees, to maintain suitable records, to file all required reports, to permit reasonable inspections, and to fulfill all sundry reporting requirements applicable to the mine as required by the Act and implementing rules.
10. Operator agrees to indemnify and hold harmless the State, Board, and the Division from any claim, demand, liability, cost, charge, suit, or obligation of whatsoever nature arising from the failure of Operator or Operator's agents and employees, or contractors to comply with this Contract.
11. If Operator shall default in the performance of its obligations hereunder, Operator shall be liable for all damages resulting from the breach hereof including all costs, expenses, and reasonable attorney's fees incurred by the Division and/or the Board in the enforcement of this Contract.

☒ APPROVED



12. Any breach of a material provision of this Contract by Operator may, at the discretion of the Division, in addition to other remedies available to it, result in an order by the Division requiring the Operator to cease mining operations, and may thereafter result in an Order, subject to an opportunity for notice and hearing before the Board, withdrawing and revoking the Notice of Intention, and requiring immediate reclamation by the Operator of the Lands Affected or forfeiture of the Surety.
13. In the event of forfeiture of the Surety, Operator shall be liable for any additional costs in excess of the surety amount that is required to comply with this Contract. Upon completion of the reclamation of all of the Lands Affected, any excess monies resulting from forfeiture of the Surety shall be returned to the rightful claimant.
14. The Operator shall notify the Division immediately of any changes in the Operator's registered agent, the Operator's address, form of business, name of business, significant changes in ownership, and other pertinent changes in the information required as part of the Notice of Intention. Notwithstanding this requirement, any changes to the Notice of Intention, and any errors, omissions, or failures to fully or accurately complete or update the information on the Notice of Intention, or the attached maps, shall not affect the validity of this Contract and the rights of the Division to enforce its terms.
15. If requested by the Division, the Operator shall execute addendums to this Contract to add or substitute parties, or to reflect changes in the Operator, Surety, and otherwise modify the Contract to reflect changes in the mining operations as requested by the Division. All modifications must be in writing and signed by the parties, and no verbal agreements, or modifications in any of the terms or conditions shall be enforceable.
16. This Contract shall be governed and construed in accordance with the laws of the State of Utah.

☒ APPROVED



The signatory below represents that the Operator, if not a natural person, is a properly organized entity in good standing under the laws of Utah and the United States, is registered as an entity authorized to do business in the State of Utah, and that he/she is authorized to execute this Contract on behalf of the entity as Operator.

OPERATOR:

T.M.E. Asphalt Ridge LLC.  
Operator Name

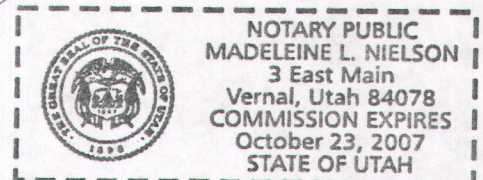
By Jim Runquist  
Authorized Officer (Typed or Printed)  
General Manager - Chairman  
Authorized Officer - Position

Jim Runquist 5/16/07  
Officer's Signature Date

STATE OF Utah )  
COUNTY OF Uintah ) ss:

On the 16 day of May, 2007, Jim Runquist personally appeared before me, who being by me duly sworn did say that he/she is an officer (owner, officer, director, partner, agent or other (specify)) of the Operator TME Asphalt Ridge and duly acknowledged that said instrument was signed on behalf of said Operator by authority of its bylaws, a resolution of its board of directors or as may otherwise be required to execute the same with full authority and to be bound hereby.

Madeline A. Nielson  
Notary Public  
Residing at Vernal, UT  
10-23-07  
My Commission Expires:



RECEIVED

MAY 17 2007

DIV. OF OIL, GAS & MINING

☒ APPROVED



DIVISION OF OIL, GAS AND MINING:

By John R. Baza  
John R. Baza, Director

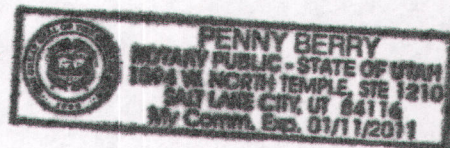
Date 5/31/07

STATE OF Utah)  
COUNTY OF Salt Lake) ss:

On the 31 day of May, 2007, John R. Baza  
personally appeared before me, who being duly sworn did say that he, the said  
John R. Baza is the Director of the Division of Oil, Gas and Mining,  
Department of Natural Resources, State of Utah, and he duly acknowledged to me that  
he executed the foregoing document by authority of law on behalf of the State of Utah.

Penny Berry  
Notary Public  
Residing at: Salt Lake

1/11/2011  
My Commission Expires:





## FACT SHEET

**Commodity:** \_\_\_\_\_ Native Asphalt / Bitumen \_\_\_\_\_

**Mine Name:** \_\_\_\_\_ TMEAR Lecy Mine \_\_\_\_\_

**Permit Number:** \_\_\_\_\_ S/047/0088 \_\_\_\_\_

**County:** \_\_\_\_\_ Unitah \_\_\_\_\_

**Disturbed Acres:** \_\_\_\_\_ 5 acres \_\_\_\_\_

**Operator Name:** \_\_\_\_\_ TME Asphalt Ridge, LLC \_\_\_\_\_

**Operator address:** \_\_\_\_\_ 4526 Ridgeview Dr. Eagan, MN 55123 \_\_\_\_\_

**Operator telephone:** \_\_\_\_\_ 651 452 7125 \_\_\_\_\_

**Operator fax:** \_\_\_\_\_ 651 452 7125 \_\_\_\_\_

**Operator email:** jlrunkist@aol.com or runquist@templemountainenergy.com

**Contact:** \_\_\_\_\_ Jim Runquist \_\_\_\_\_

**Surety Type:** \_\_\_\_\_ Letter of Credit

**Held by (Bank/BLM):** \_\_\_\_\_ Associated Bank \_\_\_\_\_

**Surety Amount:** \_\_\_\_\_ \$24,600 \_\_\_\_\_

**Surety Account Number:** \_\_\_\_\_ Ref: \_\_\_\_\_

**Escalation Year:** \_\_\_\_\_ 2010 \_\_\_\_\_

**Tax ID or Social Security (for cash only):** \_\_\_\_\_

**Surface owner:** \_\_\_\_\_ Asphalt Ridge, Inc. \_\_\_\_\_

**Mineral owner:** \_\_\_\_\_ Asphalt Ridge, Inc. \_\_\_\_\_

**UTU number:** \_\_\_\_\_ N/A \_\_\_\_\_

**Acres:** \_\_\_\_\_ 5 acres \_\_\_\_\_





GARY R. HERBERT  
Governor

SPENCER J. COX  
Lieutenant Governor

# State of Utah

## DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER  
Executive Director

### Division of Oil, Gas and Mining

JOHN R. BAZA  
Division Director

July 23, 2014

Certified Return Receipt  
7011 2970 0001 8829 0049

Noreen Clemmons  
Associated Bank  
2870 Holmgren Way  
Green Bay, Wisconsin 54304-5714

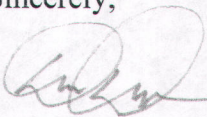
Subject: Authorization for Release of Reclamation Sureties, Letters of Credit \_\_\_\_\_ and  
TME Asphalt Ridge LLC, Cameron 1 Mine and AR Lecy Mine,  
S/047/0036 and S/047/0088, Uintah County, Utah

Dear Ms. Clemmons:

Associated Bank is presently holding Letters of Credit # \_\_\_\_\_ and \_\_\_\_\_ for the benefit of the State of Utah, Division of Oil, Gas and Mining, as a form of reclamation surety for TME Asphalt Ridge LLC's Cameron 1 and AR Lecy Mines. These two small mines have been consolidated into a larger mine operation with a separate reclamation surety, so the State of Utah no longer requires these two letters of credit as a form of financial guarantee.

Please contact Dana Dean at 801-538-5320, or Paul Baker at 801-538-5261 if you have questions or concerns regarding this matter. Thank you for your assistance.

Sincerely,

  
For John R. Baza  
Director

JRB:aa:pb

Enclosure: Original LOC #'s \_\_\_\_\_

cc: William Messerli, 100 South Fifth Street, Ste. 1400, Minneapolis, MN 55402

P:\GROUPS\MINERALS\WP\M047-Uintah\S0470088 TME AR Lecy\final\LOCR-5777,5778-07152014.doc





RECEIVED

JUL 16 2013

Date: July 15, 2013

DIV. OF OIL, GAS & MINING

**NOTICE OF NON-RENEWAL TO  
LETTER OF CREDIT NO. DC110267**

**BENEFICIARY**

State of Utah  
Department of Natural Resources  
Utah Division of Oil, Gas and Mining  
1594 West North Temple, Suite 1210  
Box 145801  
Salt Lake City, UT 84114-5801

**APPLICANT(S)**

TME Asphalt Ridge, LLC  
4526 Ridgeview Drive  
Eagan, MN 55123-1857

Dear Sir or Madam:

We hereby give you, State of Utah, as Beneficiary, Department of Natural Resources, notice that we elect not to renew our Irrevocable Letter of Credit No. \_\_\_\_\_ issued April 26, 2007 for an additional One (1) Year period and that therefore this Letter of Credit will expire on April 26, 2014.

Should you have occasion to contact us regarding this credit, kindly direct your communication to the attention of: Trade Services at 800-230-5506, making specific reference to this Letter of Credit No. DC110267.

Associated Bank, N.A.

Noreen K. Clemmons  
AVP, Int'l Trade Mgr.





30470088  
RECEIVED

FEB 05 2013

Div. of Oil, Gas & Mining

Date: February 4, 2013

**AMENDMENT NO. 3  
IRREVOCABLE STANDBY LETTER OF CREDIT  
NO. 1**

**BENEFICIARY:**

State of Utah  
Department of Natural Resources  
Utah Division of Oil, Gas and Mining  
1594 West North Temple, Suite 1210  
Box 145801  
Salt Lake City, UT84114-5801

**APPLICANT:**

TME Asphalt Ridge, LLC  
4526 Ridgeview Drive  
Eagan, MN 55123-1857

Dear Sir or Madam:

We hereby issue an amendment to our Irrevocable Standby Letter of Credit No. DC110267 dated April 26, 2007 as follows:

- Increase Letter of Credit Amount by: USD 2,500.00
- New Letter of Credit Amount: USD 27,100.00

All other terms and conditions remain unchanged.

This amendment is to form an integral part of this Letter of Credit.

Should you have occasion to contact us regarding this credit, kindly direct your communication to the attention of: Trade Services at 800-230-5506, making specific reference to this Letter of Credit No. DC110267.

Associated Bank, N.A.

Noreen K. Clemmons  
AVP, Int'l Trade Mgr.





April 26, 2011

AMENDMENT NO. 2  
IRREVOCABLE STANDBY LETTER OF CREDIT  
NO.

BENEFICIARY:

State of Utah  
Department of Natural Resources  
Utah Division of Oil, Gas and Mining  
1594 West North Temple, Suite 1210  
Box 145801  
Salt Lake City, UT 84114-5801

APPLICANT:

TME Asphalt Ridge, LLC  
4526 Ridgeview Drive  
Eagan, MN 55123-1857

Dear Sir or Madam:

We hereby issue an amendment to our Irrevocable Standby Letter of Credit No. \_\_\_\_\_ dated April 26, 2007 as follows:

- Delete existing address(es) for presentation, replace with:  
Associated Bank, N.A.  
Trade Services, M.S. 7059  
2870 Holmgren Way  
Green Bay, WI 54304-5714

All other terms and conditions remain unchanged.

This amendment is to form an integral part of this Letter of Credit.

Should you have occasion to contact us regarding this credit, kindly direct your communication to the attention of: Trade Services at 800-230-5506, making specific reference to this Letter of Credit No. DC110267.

Associated Bank, N.A.

Noreen K. Clemmons  
AVP, Int'l Trade Mgr.

RECEIVED  
APR 27 2011  
DIV. OF OIL, GAS & MINING





April 8, 2010

AMENDMENT NO. 1  
IRREVOCABLE STANDBY LETTER OF CREDIT  
NO.

BENEFICIARY:

State of Utah  
Department of Natural Resources  
Utah Division of Oil, Gas and Mining  
1594 West North Temple, Suite 1210  
Box 145801  
Salt Lake City, UT 84114-5801

APPLICANT:

TME Asphalt Ridge, LLC  
4526 Ridgeview Drive  
Eagan, MN 55123-1857

Dear Sir or Madam:

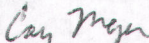
We hereby issue an amendment to our Irrevocable Standby Letter of Credit No. [redacted] dated April 26, 2007 as follows:

- Increase Letter of Credit Amount by: USD 3,900.00
- New Letter of Credit Amount: USD 24,600.00

This amendment is to form an integral part of this Letter of Credit.  
All terms and conditions of this credit remain the same.

Should you have occasion to contact us regarding this credit, kindly direct your communication to the attention of: Trade Services at 800-230-5506, making specific reference to this Letter of Credit No. [redacted]

Associated Bank, N.A.

  
\_\_\_\_\_  
Corey Meyer  
VP, Regional Credit Officer

**RECEIVED**

**APR 12 2010**

DIV. OF OIL, GAS & MINING

**RECEIVED**

**APR 12 2010**

**NATURAL RESOURCES**

TRADE SERVICES  
200 N. Adams Street - Green Bay, WI 54301





Date: March 29, 2010

**CANCELLATION OF  
NOTICE OF NON-RENEWAL  
LETTER OF CREDIT NO.**

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**BENEFICIARY**

State of Utah  
Department of Natural Resources  
Utah Division of Oil, Gas and Mining  
1594 West North Temple, Suite 1210  
Box 145801  
Salt Lake City, UT 84114-5801

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**APPLICANT(S)**

TME Asphalt Ridge LLC  
4526 Ridgeview Drive  
Eagan, MN 55123-1857

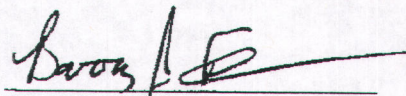
Dear Sir or Madam:

We hereby give you, State of Utah Department of Natural Resources, notice of cancellation of our Notice of Non-Renewal letter dated January 20, 2010.

Our Irrevocable Standby Letter of Credit No. \_\_\_\_\_ will be renewed for an additional one year period expiring on April 26, 2011.

Should you have occasion to contact us regarding this credit, kindly direct your communication to the attention of: Trade Services at 800-230-5506, making specific reference to this Letter of Credit No.

Associated Bank, N.A.

  
Barry J. Fife  
Senior Vice President

TRADE SERVICES  
200 N. Adams Street - Green Bay, WI 54301





**NOTICE OF NON-RENEWAL TO  
LETTER OF CREDIT NO. \_\_\_\_\_**

January 20, 2010

**BENEFICIARY**

STATE OF UTAH, DEPARTMENT  
OF NATURAL RESOURCES  
UTAH DIVISION OF OIL  
GAS AND MINING  
1594 WEST NO. TEMPLE, STE 1210  
BOX 145801  
SALT LAKE CITY, UT 84114-5801

**APPLICANT(S)**

TME ASPHALT RIDGE, LLC.  
4526 RIDGEVIEW DRIVE  
EAGAN, MN 55123-1857

Dear Sir or Madam:

We hereby give you, State of Utah Department of Natural Resources as Beneficiary, notice that we elect not to renew our Irrevocable Letter of Credit No. \_\_\_\_\_ issued April 26 2007 for an additional one year period and that therefore this Letter of Credit will expire on April 27, 2010.

Should you have occasion to contact us regarding this credit, kindly direct your communication to the attention of: Trade Services at 800-230-5506, making specific reference to this Letter of Credit No. \_\_\_\_\_

Associated Bank, N.A.

A handwritten signature of Corey Meyer in black ink.

Corey Meyer  
VP, Regional Credit Manager

**RECEIVED**

**JAN 21 2010**

**DIV. OF OIL, GAS & MINING**

TRADE SERVICES  
200 N. Adams Street – Green Bay, WI 54301





## Associated Bank

### IRREVOCABLE STANDBY LETTER OF CREDIT NO. 4

Date: April 26, 2007

BENEFICIARY

State of Utah  
Department of Natural Resources  
Utah Division of Oil, Gas and Mining  
1594 West North Temple, Suite 1210  
Box 145801  
Salt Lake City, UT 84114-5801

APPLICANT

TME Asphalt Ridge, LLC  
4526 Ridgeview Drive  
Eagan, MN 55123-1857

RE: Name of Mine Operator: TME Asphalt Ridge, LLC  
Mine Name: TME AR Lecy Mine  
DOGM Issued Permit Number: S0470088

Gentlemen and Ladies:

1. Associated Bank of Green Bay, Wisconsin, hereby establishes this Irrevocable Standby Letter of Credit (the "Letter of Credit") in favor of the Utah Division of Oil, Gas and Mining ("Division") for an aggregate amount not to exceed \$20,700.00 (Twenty Thousand Seven Hundred and NO/100 U.S. Dollars) effective immediately, on behalf of TME Asphalt Ridge, LLC ("Operator") for TME AR Lecy Mine mining operation under Mine Permit No. S0470088.
2. This Letter of Credit will expire upon the first event set forth as follows: (a) 5:00 o'clock p.m. (Salt Lake City time) on April 26, 2008 or (b) the date upon which sufficient documents are executed by the Division to release TME Asphalt Ridge, LLC from further liability for reclamation of the TME AR Lecy Mine, S0470088 with notice to Bank accompanied by the original Letter of Credit with directions for cancellation.
3. This Letter of Credit will be automatically extended for successive periods of one year from the current or any future expiration date unless 90 days prior to the expiration date the Bank gives notice to the Division by any courier service or by registered United States mail "return receipt requested" that the Bank elects NOT to extend the Letter of Credit.
4. Funds under the Letter of Credit are available against the Division's sight draft, in the form of Exhibit A, specifying Letter of Credit, No. \_\_\_\_\_ delivered to the Associated Bank, N.A. At the Division's sole election, the Division may present sight drafts for less than the Face Amount so long as the aggregate amount of all sight drafts does not exceed the Face Amount. Each draft must be accompanied by a certificate in the form of Exhibit B, signed by a duly authorized representative of the Division.

☒ APPROVED

RECEIVED

MAY 18 2007

DIV. OF OIL, GAS & MINING





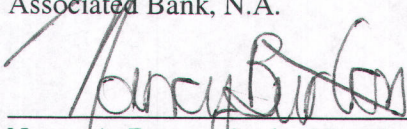
## Associated Bank

Letter of Credit No. \_\_\_\_\_

Page 2

5. If the Bank receives the Division's sight draft(s) and certificate(s) as provided in Paragraph No. 4 above on or before the expiration or termination of this Letter of Credit, the Bank will make such amount as the Division may specify, within the limits of the second sentence of Paragraph No. 4 of this Letter of Credit, available to the Division no later than the close of business, Salt Lake City time, on the second business day following the Bank's receipt of the sight draft and certificate and in such a manner as the Division may specify. "Business Day" means any day that is not a Saturday, Sunday or other day of which commercial banks in the State of Wisconsin are authorized or required by law to close.
6. The Bank will give prompt notice to the Operator and to the Division Director of any notice received or action filed alleging the insolvency or bankruptcy of the Bank, or alleging any violations of regulatory requirements, which could result in suspension or revocation of the Bank's charter or license to do business.
7. The Letter of Credit will be governed by the laws of the State of Wisconsin, and shall be subject to the Uniform Customs and Practice for Documentary Credit, 1993 Revision, International Chamber of Commerce Publication No. 500, as the same may be amended and in effect from time to time ("UCP"). In the event of a conflict between Wisconsin law and the UCP, Wisconsin shall govern.
8. All communications regarding this Letter of Credit will be addressed to the Associated Bank N.A., c/o International Banking Department, 200 N. Adams St., Green Bay, WI 54301, referencing Letter of Credit No.
9. In the event the Bank gives notice to the Division that the expiration date of the Letter of Credit will not be extended, the Division may, until the current expiration date of the Letter of Credit, draw under the Letter of Credit against its sight draft(s) in accordance with the provision of Paragraph 4.

Associated Bank, N.A.

  
\_\_\_\_\_  
Nancy A. Burton, Senior Vice President  
920-433-3188





## Associated Bank

EXHIBIT A – SIGHT DRAFT  
to  
Letter of Credit Number \_\_\_\_\_

\_\_\_\_\_  
Date

\_\_\_\_\_  
City, County

\_\_\_\_\_  
Letter of Credit No.

PAY TO THE ORDER OF: Utah Division of Oil, Gas and Mining.

TO: Associated Bank, N.A.  
c/o International Banking Department  
200 N. Adams St.  
Green Bay, WI 54301

State of Utah  
Department of Natural Resources  
Utah Division of Oil, Gas and Mining  
1594 West North Temple, Suite 1210  
Box 145801  
Salt Lake City, UT 84114-5801

By: \_\_\_\_\_  
Authorized Signature





## Associated Bank

### EXHIBIT B

to

Letter of Credit Number \_\_\_\_\_

I, \_\_\_\_\_, a duly authorized representative of the Utah Division of Oil, Gas and Mining, hereby certify that (1) the drawing in the amount of \$ \_\_\_\_\_, by sight draft accompanying this certificate, under Letter of Credit No. \_\_\_\_\_ dated \_\_\_\_\_ issued by you is permitted under the provision of the Letter of Credit, (2) the Letter of Credit has neither expired nor terminated pursuant to its terms, (3) the amount of the sight draft, together with any amounts previously drawn under the Letter of Credit, does not exceed the Face Amount, and (4) the amount to be drawn is necessary to assure or complete reclamation of the \_\_\_\_\_ (name of mining project), number \_\_\_\_\_ (permit number) in accordance with applicable law.

State of Utah  
Department of Natural Resources  
The Utah Division of Oil, Gas and Mining

By: \_\_\_\_\_  
Authorized Signature  
The Utah Division of Oil, Gas and Mining

Date \_\_\_\_\_



Ask



Vickie Southwick &lt;vickiesouthwick@utah.gov&gt;

**Fwd: Temple Mountain Energy**

1 message

**jlrunkist@aol.com** <jlrunkist@aol.com>

Thu, Mar 14, 2013 at 11:15 AM

To: vickiesouthwick@utah.gov

Vickie: Sorry I think I sent this to the wrong email and just got it back. I forgot the e in your name.

Jim Runquist

-----Original Message-----

From: jlrunkist <jlrunkist@aol.com>

To: vickisouthwick <vickisouthwick@utah.gov>

Cc: rlecy <rlecy@msn.com>; benjamin.veach <benjamin.veach@associatedbank.com>

Sent: Thu, Mar 14, 2013 10:08 am

Subject: Temple Mountain Energy

Attached is the data we have to offer for our conference call.

Thank you.

Jim Runquist

---

**4 attachments****Ben\_Veach.doc**

101K

**B\_VeachLOC\_increase\_11-27-12\_Associated\_Bank\_4930\_001.pdf**

18K

**B\_Vewach\_email\_to\_Penny\_Barry\_Jan\_2013.pdf**

18K

**B\_Veach\_Letter\_of\_Credit.pdf**

78K



Mon, Oct 15, 2012 2:51 pm

**RE: Letters of Credit**

From **Veach, Benjamin** Benjamin.Veach@associatedbank.comhide details

To 'RICHARD K &' rlecy@msn.com, JLRUNQUIST@aol.com jlrunkvist@aol.com

Hi Dick and Jim,

The increases to the Letters of Credit have been approved. At this point, we need to increase the amount of the CDs that are held as collateral. The CD's are currently at \$25,403 and \$25,265 and we need to increase them both to \$27,100.00. As such, we need about \$3,535.

Thanks,

**Ben Veach**

VP Business Banking | Relationship Manager

Direct: 952-591-2765 | Cell: 763-233-2607

5353 Wayzata Blvd | St. Louis Park, MN 55416

[benjamin.veach@associatedbank.com](mailto:benjamin.veach@associatedbank.com)

-----Original Message-----

From: Veach, Benjamin <[Benjamin.Veach@associatedbank.com](mailto:Benjamin.Veach@associatedbank.com)>

To: 'RICHARD K &' <[rlecy@msn.com](mailto:rlecy@msn.com)>; 'JLRUNQUIST@aol.com' <[jlrunkvist@aol.com](mailto:jlrunkvist@aol.com)>

Sent: Wed, Oct 17, 2012 4:24 pm

Subject: RE: Letters of Credit

Dick and Jim,

Just wanted to reach out to see if you've been able to make any process on increasing the CDs that secure the Letters of Credit.

As I mentioned, I did call Paul Baker with the Utah DNR to let him know that we're working on the increase, but he said that he doesn't want this to go beyond a week past the original deadline.

Please let me know.



Thanks,

**Ben Veach**

VP Business Banking | Relationship Manager  
Direct: 952-591-2765 | Cell: 763-233-2607  
5353 Wayzata Blvd | St. Louis Park, MN 55416  
benjamin.veach@associatedbank.com

Fri, Oct 19, 2012 2:00 pm

**e: Letters of Credit**

From **jlrunkist** jlrunkist@aol.comhide details

To **Benjamin.Veach** Benjamin.Veach@associatedbank.com

Cc **rlcyc** rlcyc@msn.com

Hi Ben: I just talked to Todd Goderstad General Council for Ames Construction about the CD increase. The CFO for Ames Construction is Mike Keller and he is out of his office till Tuesday of next week. Todd suggested I let you know they are going to do the increase but it will have to wait till Tuesday to cut a check. I have given your phone number to Todd for Mike Keller and we will follow up on Tuesday with Mike to get this completed. Todd's phone number is 952-892-8678 if you need or want to call him.

I will email Paul Baker (DOGM) in Utah today about the situation so he is up to speed and will copy you in on that email.

I left a message on your phone also.  
My cell phone is 651-301-2020

Jim Runquist  
Temple Mountain Energy, Inc.



Wed, Nov 7, 2012 3:33 pm

**RE: TME/Ames bond for DOGM Utah (Paul Baker)**

From **Veach, Benjamin** Benjamin.Veach@associatedbank.comhide details

To **'jlrunquist@aol.com'** jlrunquist@aol.com

Cc **rlecy** rlecy@msn.com

Hi Jim,

I emailed Mike and Todd on Monday of this week, but haven't heard back from them. Here is what I sent:

Gentlemen,

Based on the State of Utah's request to increase the Letters of Credit, we need to increase the held funds as follows:

	<b>CD :</b>	
Current Balance	\$ 25,403.00	\$ 25,264.13
Amount Needed	\$ 1,697.00	\$ 1,835.87
<b>New Total</b>	<b>\$ 27,100.00</b>	<b>\$ 27,100.00</b>

As such, we'll need a total of \$3,532.87 of new funds for the new CD's. As far as the duration of the new CD's, I am of the opinion that we should try to match the terms of the existing CD's so we can simplify the renewal periods, etc.

In order to get the new CD's opened, we'll need to know the name(s) and title(s) of whoever will be signing the paperwork on behalf of Ames. Once we know that, Rob will draw up the paperwork and I can come out to your office to pick up the check and get the document signed.

Please let me know if you have any questions and if that plan sounds agreeable.



Thank you

**Ben Veach**

VP Business Banking | Relationship Manager

Direct: 952-591-2765 | Cell: 763-233-2607

5353 Wayzata Blvd | St. Louis Park, MN 55416

[benjamin.veach@associatedbank.com](mailto:benjamin.veach@associatedbank.com)

Wed, Nov 28, 2012 3:20 pm

**RE:**

From **Veach, Benjamin** Benjamin.Veach@associatedbank.comhide details  
m

To 'jlrunkist@aol.com' jlrunkist@aol.com, rlecy rlecy@msn.com, toddgoderstad toddgoderstad@amesco.com

Hi Jim,

I am aware that the new CDs were opened and I have notified my loan processor to get the updated Letters of Credit prepared. I will let you know as soon as they are ready to be sent.

Thank you,

**Ben Veach**

VP Business Banking | Relationship Manager

Direct: 952-591-2765 | Cell: 763-233-2607

5353 Wayzata Blvd | St. Louis Park, MN 55416

[benjamin.veach@associatedbank.com](mailto:benjamin.veach@associatedbank.com)



Thu, Jan 10, 2013 4:31 pm

**TME Asphalt Ridge**

From **Veach, Benjamin** Benjamin.Veach@associatedbank.comhide details

To '**pennyberry@utah.gov**' pennyberry@utah.gov

Cc '**jlrquist@aol.com**' jlrquist@aol.com

Good Afternoon Penny,

Per our conversation, attached is a screen shot of the CD's that TME Asphalt Ridge has held at our bank to secure their letters of credit. The new Letters of Credit for the Cameron #1 Project and the AR Lecy Mine were to be increased to \$27,100.00 respectively, or \$54,200 in total. As you can see in the attachment, there are Certificates of Deposit in place to secure the letters of credit.

Please do not send the letters of revocation, as this appears to be a processing glitch.

As I stated, I am working to get the updated & increased letters sent to you ASAP.

Thank you,

**Ben Veach**

VP Business Banking | Relationship Manager

Direct: 952-591-2765 | Cell: 763-233-2607

5353 Wayzata Blvd | St. Louis Park, MN 55416

[benjamin.veach@associatedbank.com](mailto:benjamin.veach@associatedbank.com)

Tue, Jan 22, 2013 3:56 pm

**RE: Temple Mountain Energy, Inc. and DOGM State of Utah**

From **Veach, Benjamin** Benjamin.Veach@associatedbank.comhide details

To '**jlrquist@aol.com**' jlrquist@aol.com, **rlecy** rlecy@msn.com



Hi Jim,

I think I've gotten down to the bottom of the issue.

Attached are amendment document for the letters of credit. Please have Dick sign them and scan them back to me as soon as possible.

I will ultimately need the originals, so please send those back to me at the address listed below.

Please let me know if you have any questions.

Thank you,

**Ben Veach**

VP Business Banking | Relationship Manager

Direct: 952-591-2765 | Cell: 763-233-2607

5353 Wayzata Blvd | St. Louis Park, MN 55416

[benjamin.veach@associatedbank.com](mailto:benjamin.veach@associatedbank.com)

Wed, Jan 23, 2013 1:00 pm

**TME Asphalt Ridge**

From **Veach, Benjamin** Benjamin.Veach@associatedbank.comhide details

To 'paulbaker@utah.gov' paulbaker@utah.gov

Cc 'jlrunkist@aol.com' jlrunkist@aol.com

Hello Paul,

Per our conversation, attached is the additional documentation regarding the letter of credit increases for TME Asphalt Ridge. Please take these documents as good faith that we are working to get the original increased LC's out to you as soon as possible.

Please call with any questions.

Thank you,

**Ben Veach**

VP Business Banking | Relationship Manager

Direct: 952-591-2765 | Cell: 763-233-2607



5353 Wayzata Blvd | St. Louis Park, MN 55416

[benjamin.veach@associatedbank.com](mailto:benjamin.veach@associatedbank.com)

Wed, Jan 23, 2013 3:07 pm

**RE: TME**

From **Veach, Benjamin** Benjamin.Veach@associatedbank.comhide details

To 'jlrquist@aol.com' jlrquist@aol.com, rlecy rlecy@msn.com

Jim,

I talked with Paul earlier today and sent him the documentation. It sounds like it should ease their issues while we get the original LCs out to them.

Thanks,

**Ben Veach**

VP Business Banking | Relationship Manager

Direct: 952-591-2765 | Cell: 763-233-2607

5353 Wayzata Blvd | St. Louis Park, MN 55416

[benjamin.veach@associatedbank.com](mailto:benjamin.veach@associatedbank.com)

Thu, Jan 24, 2013 2:26 pm

**TME L/C**

Fro **Veach, Benjamin** Benjamin.Veach@associatedbank.comhide details  
m

To 'jlrquist@aol.com' jlrquist@aol.com, rlecy rlecy@msn.com, toddgoderstad toddgoderstad@amesco.com, Michael J. Kellen MikeKellen@amesco.com

Gentlemen,

Please see the attached documents that I need signed to put the Letter of Credit increases to bed. The documents can be signed in counterparts, meaning that the original signatures don't necessarily have to be on the same copies. Please review and sign at your convenience.

Let me know when they are complete and I will come out and pick them up to expedite the process.



Please let me know if you have any questions.

Thank you,

**Ben Veach**

VP Business Banking | Relationship Manager

Direct: 952-591-2765 | Cell: 763-233-2607

5353 Wayzata Blvd | St. Louis Park, MN 55416

[benjamin.veach@associatedbank.com](mailto:benjamin.veach@associatedbank.com)

Wed, Jan 30, 2013 11:31 am

**RE: TME**

From **Veach, Benjamin** Benjamin.Veach@associatedbank.comhide details

To 'jlrunkist@aol.com' jlrunkist@aol.com, rlecy rlecy@msn.com

Raymond Ames is out of the office until Friday. I will collect his signatures then and get everything to DOGM.

Thanks,

**Ben Veach**

VP Business Banking | Relationship Manager

Direct: 952-591-2765 | Cell: 763-233-2607

5353 Wayzata Blvd | St. Louis Park, MN 55416

[benjamin.veach@associatedbank.com](mailto:benjamin.veach@associatedbank.com)

Mon, Feb 4, 2013 2:24 pm

**FW: TME Asphalt Ridge, LLC DC110267 86880289002 and DC110627 82880289001**

From **Veach, Benjamin** Benjamin.Veach@associatedbank.comhide details

To **JLRUNQUIST@aol.com** jlrunkist@aol.com, 'RICHARD K &' rlecy@msn.com

Jim and Dick,



Attached are copies of the updated letters of credit.

The originals have been sent to DOGM via Fed-Ex.

Thank you,

**Ben Veach**

VP Business Banking | Relationship Manager

Direct: 952-591-2765 | Cell: 763-233-2607

5353 Wayzata Blvd | St. Louis Park, MN 55416

[benjamin.veach@associatedbank.com](mailto:benjamin.veach@associatedbank.com)



## Related Accounts

Product	Account Number	Open Date	Status	Available Balance	Account Balance	Maturity Date	Interest Rate
12 MONTH FIXED CD		10/08/09	Open	N/A	\$ 25,418.96	10/08/13	.25%
12 MONTH FIXED CD		03/26/10	Open	N/A	\$ 25,282.97	03/26/13	.30%
12 MONTH FIXED CD		11/27/12	Open	N/A	\$ 1,697.00	11/27/13	.25%
12 MONTH FIXED CD		11/27/12	Open	N/A	\$ 1,835.87	11/27/13	.25%

Total : \$ 54,234.80





APPLICATION FOR AMENDMENT TO  
STANDBY LETTER OF CREDIT

Trade Services  
Tel: 800-230-5506  
Fax: 920-405-2798

Date: 1/14/2013

L/C No. \_\_\_\_\_  
(for bank use only)

Please issue an Amendment to an Irrevocable Standby Letter of Credit as set forth below:

BENEFICIARY full name and address	APPLICANT full name and address
State of Utah, Department of Natural Resources Utah Division of Oil, Gas and Mining 1594 West North Temple Ste 1210 Box 145801 Salt Lake City, UT 84114-5801	TME ASPHALT RIDGE LLC 4526 RIDGEVIEW DR SAINT PAUL MN 55123-1857

Current Amount: 24,600  
Type of Change: Increase ☒ Decrease ☐  
Amount of Change: 2,500  
New LC Amount: 27,100

Current Expiration: 4/26/2013

Amended Expiration: 4/26/2014

Other changes to original Credit:

For and on behalf of the Applicant:

Corporations, partnerships and other legal entities sign here:

Name of legal entity: (Customer) TME ASPHALT RIDGE LLC

Name of legal entity: (Customer)

By: [Signature]  
Printed Name: Richard K. Lee, Vice President  
Title: CFO Chief manager

By: \_\_\_\_\_  
Printed Name: \_\_\_\_\_  
Title: \_\_\_\_\_

Individuals and proprietorships sign here:

Printed Name: \_\_\_\_\_ (Customer)

Printed Name: \_\_\_\_\_ (Customer)

Printed Name: \_\_\_\_\_ (Customer)

Printed Name: \_\_\_\_\_ (Customer)

Officer Approval:

[Signature]  
Signature

\_\_\_\_\_  
Signature

Ben Veach, Business Banking Relationship Mgr  
Name & Title

\_\_\_\_\_  
Name & Title





**APPLICATION FOR AMENDMENT TO  
STANDBY LETTER OF CREDIT**

**Trade Services**  
Tel: 800-230-5506  
Fax: 920-405-2798

Date: 1/15/13

L/C No. \_\_\_\_\_  
(for bank use only)

Please issue an Amendment to an Irrevocable Standby Letter of Credit as set forth below:

<b>BENEFICIARY</b> full name and address	<b>APPLICANT</b> full name and address
Utah Division of Oil, Gas and Mining 1594 West North Temple Suite 1210, Box 145801 Salt Lake City, UT 84114-5801	TME Asphalt Ridge, LLC 4526 Ridgeview Drive Eagan, MN 55123-1857

Current Amount: 22,100.00  
Type of Change: Increase ☒ Decrease ☐  
Amount of Change: 5,000.00  
New LC Amount: 27,100.00

Current Expiration: 10/10/13

Amended Expiration: 10/10/13

Other changes to original Credit:

**For and on behalf of the Applicant:**

*Corporations, partnerships and other legal entities sign here:*

Name of legal entity: (Customer) TME Asphalt Ridge, LLC

Name of legal entity: (Customer) \_\_\_\_\_

By: [Signature]  
Printed Name: Richard K. Leacy Jim Rundquist  
Title: CFO Chief Manager

By: \_\_\_\_\_  
Printed Name: \_\_\_\_\_  
Title: \_\_\_\_\_

*Individuals and proprietorships sign here:*

Printed Name: \_\_\_\_\_ (Customer)

Printed Name: \_\_\_\_\_ (Customer)

Printed Name: \_\_\_\_\_ (Customer)

Printed Name: \_\_\_\_\_ (Customer)

**Officer Approval:**

[Signature]  
Signature

\_\_\_\_\_  
Signature

Ben Veach, Business Banking Relationship Mgr.  
Name & Title

\_\_\_\_\_  
Name & Title



## Related Accounts

Product	Account Number	Open Date	Status	Available Balance	Account Balance	Maturity Date	Interest Rate
12 MONTH FIXED CD		10/08/09	Open	N/A	\$ 25,418.96	10/08/13	.25%
12 MONTH FIXED CD		03/26/10	Open	N/A	\$ 25,282.97	03/26/13	.30%
12 MONTH FIXED CD		11/27/12	Open	N/A	\$ 1,697.00	11/27/13	.25%
12 MONTH FIXED CD		11/27/12	Open	N/A	\$ 1,835.87	11/27/13	.25%

Total : \$ 54,234.80



## Related Accounts

Product	Account Number	Open Date	Status	Available Balance	Account Balance	Maturity Date	Interest Rate
12 MONTH FIXED CD	-	10/08/09	Open	N/A	\$ 25,418.96	10/08/13	.25%
12 MONTH FIXED CD	:	03/26/10	Open	N/A	\$ 25,282.97	03/26/13	.30%
12 MONTH FIXED CD	:	11/27/12	Open	N/A	\$ 1,697.00	11/27/13	.25%
12 MONTH FIXED CD	:	11/27/12	Open	N/A	\$ 1,835.87	11/27/13	.25%

Total : \$ 54,234.80





GARY R. HERBERT  
Governor

GREGORY S. BELL  
Lieutenant Governor

# State of Utah

## DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER  
Executive Director

### Division of Oil, Gas and Mining

JOHN R. BAZA  
Division Director

February 26, 2013

Jim Runquist  
TME Asphalt Ridge, LLC  
4526 Ridgeview Drive  
Eagan, MN 55123

Subject: Copy of the Modification of Attachment A to the Reclamation Contract, TME Asphalt Ridge, LLC, TME AR Lecy Mine, S/047/0088, Uintah County, Utah

Dear Mr. Runquist:

On February 22, 2013 the Division received the signed Modification of Attachment A to the Reclamation Contract (MA-RC) from TME Asphalt Ridge, LLC. Our Director signed the MA-RC on February 25, 2013. Enclosed is a copy for your records.

If you have any questions please call 801-538-5291 or email [bondcoordinator@utah.gov](mailto:bondcoordinator@utah.gov). Thank you.

Sincerely,

Penny Berry  
Bond Coordinator

PB





GARY R. HERBERT  
Governor

GREGORY S. BELL  
Lieutenant Governor

# State of Utah

## DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER  
Executive Director

### Division of Oil, Gas and Mining

JOHN R. BAZA  
Division Director

February 6, 2013

Jim Runquist  
TME Asphalt Ridge, LLC  
4526 Ridgeview Drive  
Eagan, MN 55123

Subject: Request for Signature on the Modification to the Attachment A of the Reclamation Contract, TME Asphalt Ridge LLC, TME AR Lecy Mine, S/047/0088, Uintah County, Utah

Dear Mr. Runquist:

On February 5, 2013 the Division received an amendment to the LOC from Associated Bank. The amount on the LOC has been increased by \$2,500 for a total of \$27,100.

Please sign the Modification to the Attachment A of the Reclamation Contract and complete the fact sheet.

Please return the original document to the Division as soon as possible so that we can proceed with our process in completing this file. If you have any questions please call 801-538-5291 or email [pennyberry@utah.gov](mailto:pennyberry@utah.gov). Thank you for your attention in this matter.

Sincerely,

Penny Berry  
Bond Coordinator

PB





STATE OF UTAH  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MININGMODIFICATION OF ATTACHMENT A  
TO THE  
RECLAMATION CONTRACTName of Operator: TME Asphalt Ridge, LLCPermit Number: S/047/0088Mine Name: TME AR Lecy MinePhone Number: 651-452-7125

**Per the executed reclamation contract, the surety agreement for reclamation obligation is included as Attachment A to the reclamation contract as follows:**

*Check the boxes that apply to this form:*

Surety: ☐ Decrease  
☒ Increase  
☐ Replacement

Reason: ☐ Amendment to NOI  
☐ Cancellation/ Termination of surety  
☒ Escalation  
☐ Partial Release of surety  
☐ Other

Explain: Operator submitted an amendment to the LOC increasing the amount for a total of \$27,100.00 for a 3yr escalation (2015)

Surety Dollar Amount Associated With This Action: \$2,500.00

Surety Aggregate Amount: \$27,100.00

***Included in this modification (surety must be attached)***

Instrument(s):

<input type="checkbox"/> Corporate Surety	<input type="checkbox"/> Rider
<input checked="" type="checkbox"/> LOC Letter of Credit	<input checked="" type="checkbox"/> Amendment
<input type="checkbox"/> CD Certificate of deposit	<input type="checkbox"/> Addendum
<input type="checkbox"/> Cash	<input type="checkbox"/> Other

Explain: LOC

**Other surety not affected by this modification will remain part of Attachment A and labeled as such.  
This Modification will be effective as of the last date signed below**

\_\_\_\_\_  
Authorized Officer Signature

\_\_\_\_\_  
Printed

\_\_\_\_\_  
Title

\_\_\_\_\_  
Date

\_\_\_\_\_  
Division Director John R. Baza  
Utah Division of Oil, Gas and Mining

\_\_\_\_\_  
Date



## Penny Berry - Re: Fwd: MA-RC S0470088

---

**From:** Penny Berry  
**To:** jlrunkist@aol.com  
**Date:** 5/10/2010 4:01 PM  
**Subject:** Re: Fwd: MA-RC S0470088

---

Hi Jim,

The UTU number is a number the BLM assigns when you file a claim. Since this site is on private land, there is no UTU number. Just leave it blank.

You can send it to State of Utah, Division of Oil, Gas & Mining, 1594 West North Temple, Suite 1210, P.O. Box 145801, Salt Lake City, Utah 84114-5801 please attention Penny Berry.

If you have any questions please call 801-538-5291 or email. Thank you.

Penny

>>> <jlrunkist@aol.com> 5/10/2010 11:35 AM >>>

Hi Penny: I have the Fact Sheet you sent on April 20 but do not know what the UTU number is?? Could you explain it. Also to whom and where should I send the master Fact Sheet and signed Modification to Reclamation Contract to?

I didn't receive your original email but Dick Lecy did. He thought since it was to me that I had it. Sorry for the confusion. Leslie had called asking about it last week. So we got right on it.

Jim Runquist  
TME AR LLC

---

Date: Tue, 20 Apr 2010 10:05:00 -0600  
From: pennyberry@utah.gov  
To: rlecy@msn.com  
Subject: MA-RC S0470088

Hi Jim,

The Division received the amended LOC, increasing the amount from \$20,700.00 to \$24,600.00. With this amendment we need to update the reclamation contract. I have attached a Modification to the Reclamation Contract (MA-RC) for your signature. Also, please complete the fact sheet, this is attached. Please return the original Ma-RC and fact sheet. I appreciate your help regarding this matter. If you have any questions please call 801-538-5291 or email. Thank you.

Penny  
=





GARY R. HERBERT  
Governor

GREGORY S. BELL  
Lieutenant Governor

# State of Utah

## DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER  
Executive Director

### Division of Oil, Gas and Mining

JOHN R. BAZA  
Division Director

May 27, 2010

Jim Runquist  
TME Asphalt Ridge, LLC  
4526 Ridgeview Drive  
Eagan, MN 55123

Subject: Copy of the Modification of Attachment A to the Reclamation Contract, TME Asphalt Ridge LLC, TME AR Lecy Mine, S/047/0088, Uintah County, Utah

Dear Mr. Runquist:

On May 18, 2010 the Division received the signed Modification of Attachment A to the Reclamation Contract (MA-RC) from TME Asphalt Ridge, LLC. Our Director signed the MA-RC on May 24, 2010. Enclosed is a copy for your records.

If you have any questions please call 801-538-5291 or email [bondcoordinator@utah.gov](mailto:bondcoordinator@utah.gov). Thank you.

Sincerely,

Penny Berry  
Bond Coordinator

PB





FACT SHEET

Commodity: asphalt sands  
Mine Name: TME AR LECY MINE  
County: Uintah  
Disturbed Acres: 5

Operator Name: TME ASPHALT RIDGE LLC  
Operator address: 4526 Ridgeview Dr. Eagan MN 55123  
Operator telephone: 651-452-7125  
Contact Name: JIM RUNQUIST  
Contact email: rlecy@msn.com

Surety Type: Letter of Credit  
Bank Name: Associated Bank  
Surety Amount: 20,700,000  
Account number  
Contact: Nancy Burton, Senior VP 920-433-3188

Escalation: 2010

*Superseded  
5/27/10  
PB.*



## Penny Berry - MA-RC S0470088

---

**From:** Penny Berry  
**To:** rlecy@msn.com  
**Date:** 4/20/2010 10:05 AM  
**Subject:** MA-RC S0470088  
**Attachments:** FACT SHEET.doc; MRAC.doc

---

Hi Jim,

The Division received the amended LOC, increasing the amount from \$20,700.00 to \$24,600.00. With this amendment we need to update the reclamation contract. I have attached a Modification to the Reclamation Contract (MA-RC) for your signature. Also, please complete the fact sheet, this is attached. Please return the original Ma-RC and fact sheet. I appreciate your help regarding this matter. If you have any questions please call 801-538-5291 or email. Thank you.

Penny



**From:** Paul Baker  
**To:** Berry, Penny  
**Date:** 3/29/2010 12:41 PM  
**Subject:** Fwd: Temple Mountain Energy  
**Attachments:** 0823\_001.pdf

Paul Baker  
Minerals Program Manager  
Utah Division of Oil, Gas and Mining  
801-538-5261  
Fax 801-359-3940

>>> "Poncin, Paul" <[Paul.Poncin@associatedbank.com](mailto:Paul.Poncin@associatedbank.com)> 3/29/2010 11:25 AM >>>  
Copy for you to review. The original is being mailed to the address on the letter.  
Still working on getting the letter increased to the \$24,600.

Paul Poncin  
(952) 591-2799 Direct  
(651) 307-0579 Cell

---

From: Associated Bank [<mailto:STLPK012@ds.bankcorp.com>]  
Sent: Monday, March 29, 2010 11:23 AM  
To: Poncin, Paul  
Subject: Attached Image

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Date: March 29, 2010

**CANCELLATION OF  
NOTICE OF NON-RENEWAL  
LETTER OF CREDIT NO.**

---

**BENEFICIARY**

State of Utah  
Department of Natural Resources  
Utah Division of Oil, Gas and Mining  
1594 West North Temple, Suite 1210  
Box 145801  
Salt Lake City, UT 84114-5801

---

**APPLICANT(S)**

TME Asphalt Ridge LLC  
4526 Ridgeview Drive  
Eagan, MN 55123-1857

Dear Sir or Madam:

We hereby give you, State of Utah Department of Natural Resources, notice of cancellation of our Notice of Non-Renewal letter dated January 20, 2010.

Our Irrevocable Standby Letter of Credit No. \_\_\_\_\_ will be renewed for an additional one year period expiring on April 26, 2011.

Should you have occasion to contact us regarding this credit, kindly direct your communication to the attention of: Trade Services at 800-230-5506, making specific reference to this Letter of Credit No.

Associated Bank, N.A.

Barry J. Fife  
Senior Vice President

TRADE SERVICES  
200 N. Adams Street - Green Bay, WI 54301

Equal Housing Lender and Equal Opportunity Lender. Member FDIC and Associated Bank Group.

associatedbank.com





JON M. HUNTSMAN, JR.  
Governor

GARY R. HERBERT  
Lieutenant Governor

# State of Utah

## DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER  
Executive Director

### Division of Oil, Gas and Mining

JOHN R. BAZA  
Division Director

January 27, 2010

CERTIFIED RETURN RECEIPT  
7003 2260 0002 0247 9123

Jim Runquist  
TME Asphalt Ridge LLC  
4526 Ridgeview Drive  
Eagan, Minnesota 55123-1857

Subject: Notice of Non-Renewal of Letter of Credit, TME Asphalt Ridge LLC, TME AR Lecy Mine, S/047/0088, Uintah County, Utah

Dear Mr. Runquist:

Please review the enclosed notice of non-renewal notification from Associated Bank indicating letter of credit in the amount of \$20,700.00 for the TME AR Lecy mine will not be renewed. According to the terms of the LOC, the bank may elect not to renew as long as a ninety-day notice is given to the Division. These terms have been met; therefore, effective April 26, 2010, the LOC will be not be renewed. Paragraph 2 of the Reclamation Contract, states the operator shall provide a replacement surety within sixty (60) days following the Division's receipt of the cancellation/termination notice.

You are hereby advised that the Division must receive a replacement form of surety on or before March 22, 2010, or the Division will be forced to do any/some of the following:

- Carry out the terms of LOC number
- Submit a request to the Board of Oil, Gas and Mining to withdraw the permit
- Order the cessation of mining operations
- Order immediate reclamation of all lands affected

If you have questions or require assistance regarding the surety, please contact Penny Berry (801) 538-5291 or email [bondcoordinator@utah.gov](mailto:bondcoordinator@utah.gov).





Jim Runquist  
Page 2 of 2  
S/0470088  
January 27, 2010

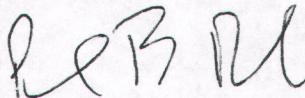
The Division periodically reviews reclamation sureties, and yours is now due for adjustment. The new amounts, based on average costs for similar-sized operations, are \$24,600.00 for a three-year escalation (surety next reviewed in 2013) or \$25,200.00 for a five-year escalation (next reviewed in 2015). We anticipate that you will be renewing the letter of credit or obtaining a new form of surety, and the new amount, \$24,600.00 or \$25,200.00, needs to be included in the new surety.

Rather than increasing the surety for this mine, the Division requests that the area where this mine is located be included in the permit area for the TME Asphalt Ridge #1 mine (M/047/0089). The Cameron mine (S/047/0036) should also be included.

Whether you increase the surety for the TME AR Lecy mine or include it with the TME Asphalt Ridge #1 mine, the TME AR Lecy mine needs to be continuously covered by a reclamation surety, and the Division will carry out the terms of the LOC if no form of replacement surety has been received by March 22, 2010.

Thank you in advance for your prompt attention to this important permitting requirement. If you have questions about this letter, please contact me at 801-538-5261.

Sincerely,



Paul Baker  
Minerals Program Manager





JON M. HUNTSMAN, JR.  
Governor

GARY R. HERBERT  
Lieutenant Governor

# State of Utah

## DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER  
Executive Director

### Division of Oil, Gas and Mining

JOHN R. BAZA  
Division Director

January 27, 2010

Certified Return Receipt  
7003 2260 0002 0247 9130

Corey Meyer  
Associated Bank, Trade Services  
200 North Adams Street  
Green Bay, Wisconsin 54301

Subject: Non-Renewal of Letter of Credit      TME Asphalt Ridge LLC, TME AR Lecy Mine,  
Uintah County, Utah

Dear Mr. Meyer:

The Utah Division of Oil, Gas and Mining (Division) received your letter dated January 20, 2010, regarding non-renewal of Letter of Credit #      in the amount of \$20,700.00. The mine operator, TME Asphalt Ridge LLC, has been advised that a replacement surety must be provided by March 22, 2010. If a replacement surety is not provided by that date, the Division will immediately submit to you its sight draft for the full face value of the letter of credit. The Division anticipates that payment of \$20,700.00 will be made by delivery of certified funds payable to the State of Utah within two days following your receipt of the sight draft. Payment should be sent to the above address by a next day delivery. The Division will hold the funds as surety for itself to be used for reclamation of the TME AR Lecy mine pending a forfeiture action to be filed before the Board of Oil, Gas and Mining.

We are anticipating that the operator will not fulfill this bonding requirement and the Division will have to move forward with the presentation of the sight draft. Please advise if you have any questions and let me know in writing if this procedure is not acceptable.

Thank you. If you have any questions, please feel free to call me at (801) 538-5261.

Sincerely,

Paul Baker  
Minerals Program Manager

PBB:pb

Enclosure Letter dated January 20, 2010, and Sight Draft

Cc: Jim Runquist, TME Asphalt Ridge

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**Penny Berry - Re: FW: S0470088 TME AR Lecy Mine**

**From:** Penny Berry  
**To:** Robbi Minten  
**Date:** 10/8/2009 2:45 PM  
**Subject:** Re: FW: S0470088 TME AR Lecy Mine

Hi Robbi,

I was just a little confused based on the LOC number listed on the rescind notice. If you view the documents I sent you, you can see the only number appearing is DCN 3973. You have cleared this up for me and I appreciate your time. Thank you.

Penny

>>> "Minten, Robbi" <Robbi.Minten@associatedbank.com> 10/7/2009 4:00 PM >>>

Hello Penny:

I did research the letters of credit for TME Asphalt Ridge, LLC. They have two letters of credit.

\_\_\_\_\_ for \$22,100.00 issued February 27, 2006 on Mine No. S/047/036. This is the letter of credit with the Notice of Non-Renewal and Rescind of Notice of Non-Renewal making it active again.

\_\_\_\_\_ is for \$20,700.00 issued April 26, 2007 on Mine No. S047088. This is a totally separate letter of credit. If have provided copies for your records. Please review and let me know if you have questions. I will be happy to help.

Thank you,

Robbi Minten  
International Trade Specialist  
Trade Services, MS #7834  
200 N. Adams Street  
Green Bay, WI 54301  
Phone (920) 433-3194 or 800-230-5506  
Fax (920) 431-8016

**From:** Penny Berry [mailto:pennyberry@utah.gov]  
**Sent:** Wednesday, October 07, 2009 10:37 AM  
**To:** LogaLemberger, Dawa  
**Subject:** S0470088 TME AR Lecy Mine

Hi Dawa,

I have attached the information you requested. The first attachment is the first page of the LOC for permit number S0470036. LOC# \_\_\_\_\_ as you can see the issue date was 2/27/06 and it was in the amount of \$22,100. The second attachment's are for permit number S0470088. It contains the first page of the LOC.



LOC# [REDACTED] issue date 4/26/2007 in the amount of \$20,700. Included was a notice of the non-renewal for  
LOC# [REDACTED] issued 2/27/06. Last document for the second attachment is Rescind notice for  
LOC# [REDACTED] issued 2/27/06 in the amount of \$22,100.

This is a lot of info. You can see the numbers for the LOC were transposed, also the date issued and the amount go with LOC# [REDACTED]. I am new in this position and I have been asked to update our database. Please provide me with the corrected rescind notice by email followed up by regular mail. If you have any questions please call 801-538-5291 or email. Thank you for your help regarding this matter.

Penny

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JON M. HUNTSMAN, JR.  
Governor

GARY R. HERBERT  
Lieutenant Governor

# State of Utah

## DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER  
Executive Director

### Division of Oil, Gas and Mining

JOHN R. BAZA  
Division Director

July 1, 2009

CERTIFIED RETURN RECEIPT  
7003 2260 0002 0247 8232

Jim Runquist  
TME Asphalt Ridge LLC  
4526 Ridgeview Drive  
Eagan, Minnesota 55123

Subject: Notice of Cancellation/Termination of Reclamation LOC Number TME Asphalt Ridge LLC, TME AR Lecy Mine, S/047/0088, Uintah County, Utah

Dear Mr. Runquist:

Please review the enclosed notification from Associated Bank indicating the letter of credit (LOC) in the amount of \$20,700.00 for the TME AR Lecy Mine will not be renewed. According to the terms of the LOC, the Bank may elect not to renew as long as a ninety (90) day notice is given to the Division. These terms have been met; therefore, effective October 10, 2009, the LOC will be not be renewed. Paragraph 2 of the Reclamation Contract, states the operator shall provide a replacement surety within sixty (60) days following the Division's receipt of the cancellation/termination notice.

You are hereby advised that the Division must receive a replacement form of surety on or before August 22, 2009, or the Division will be forced to do any/some of the following:

- Carry out the terms of the LOC
- Submit a request to the Board of Oil, Gas and Mining to withdraw the permit
- Order the cessation of mining operations
- Order immediate reclamation of all lands affected

If you have questions or require assistance regarding the surety, please contact Penny Berry (801) 538-5291 or email [bondcoordinator@utah.gov](mailto:bondcoordinator@utah.gov). Thank you in advance for your prompt attention to this important permitting requirement.

Sincerely,

Paul Baker  
Minerals Program Manager

PBB:pb

Enclosure: Notice of Non-Renewal

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JON M. HUNTSMAN, JR.  
Governor

GARY R. HERBERT  
Lieutenant Governor

# State of Utah

## DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER  
Executive Director

### Division of Oil, Gas and Mining

JOHN R. BAZA  
Division Director

July 1, 2009

CERTIFIED RETURN RECEIPT  
7003 2260 0002 0247 8249

Associated Bank  
Trade Services  
200 North Adams Street  
Green Bay, Wisconsin 54301

Subject: Non-Renewal of Letter of Credit # \_\_\_\_\_, TME Asphalt Ridge LLC, TME AR Lecy Mine,  
S/047/0088, Uintah County, Utah

Dear Sir or Madame:

The Utah Division of Oil, Gas and Mining (Division) received your letter dated June 22, 2009, regarding non-renewal of Letter of Credit # \_\_\_\_\_ in the amount of \$20,700.00. The mine operator, TME Asphalt Ridge, is being advised that a replacement surety must be provided by August 22, 2009. If a replacement surety is not provided by that date, the Division will submit to you its sight draft for the full face value of the letter of credit. The Division anticipates that payment of \$20,700.00 will be made by delivery of certified funds payable to the State of Utah within two days following your receipt of the sight draft. Payment should be sent to the above address by a next day delivery. The Division will hold the funds as surety for reclamation of the TME AR Lecy mine, pending a forfeiture action to be filed before the Board of Oil, Gas and Mining.

We are anticipating that the operator will not fulfill this bonding requirement and the Division will have to move forward with the presentation of the sight draft. Please advise if you have any questions and let me know in writing if this procedure is not acceptable.

Thank you. If you have any questions, please feel free to call me at (801) 538-5261.

Sincerely,

Paul Baker  
Minerals Program Manager

PBB:pb

Enclosure Letter dated 6/22/2009 and Sight Draft

Cc: Jim Runquist, TME Asphalt Ridge

P:\GROUPS\MINERALS\WP\M047-Uintah\S0470088 TME AR Lecy\final\cancel-LOC-07012009.doc





**From:** Penny Berry  
**To:** Leslie Heppler; Paul Baker  
**Date:** 6/23/2009 4:30 PM  
**Subject:** TME AR Lecy Mine S0470088

Hi Paul,

We received a letter from Associated Bank stating they will not renew the LOC for the amount of \$20,700. The LOC expires on 10/10/2009. Do we want to get the letter going? Let me know. Thanks.

PBB sent email - 7/1/09 Draft letters are found in the o:drive.